



PUBLIC NOTICE

Federal Communications Commission
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DA 17-1230
December 20, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF YMAX COMMUNICATIONS CORP. TO B. RILEY FINANCIAL, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-356

Comments Due: January 3, 2018
Reply Comments Due: January 10, 2018

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by magicJack VocalTec Ltd. (MJVT) and B. Riley Financial, Inc. (B. Riley) (together, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting approval to transfer of control of MJVT's subsidiary, YMax Communications Corp. (YMax), to B. Riley.¹

MJVT, a publicly traded company incorporated under the laws of Israel, provides Voice over Internet Protocol (VoIP) services and wholly owns YMax Corporation (YMax Corp.), a Delaware corporation that in turn wholly owns YMax. YMax is a Delaware corporation that is authorized to operate as a competitive local exchange carrier and long distance carrier in all states except New Hampshire in addition to the District of Columbia.²

B. Riley is a publicly traded California financial services company and operates through several wholly owned subsidiaries, including B. Riley Principal Investments, LLC (BRPI), a Delaware company. Mr. Bryant Riley, a U.S. citizen, owns approximately 16 percent of B. Riley.³ Applicants state that no other person or entity will hold a direct or indirect 10 percent or greater interest in YMax post-closing.

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Applicants also filed an application for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Broadsmart Global, Inc. (Broadsmart) and magicJack SMB, Inc. (MJSMB), both Florida corporations, provide VoIP services and are wholly owned subsidiaries of YMax Corp. Applicants state that Broadsmart and MJSMB do not provide domestic telecommunications services.

³ B. Riley's subsidiary, NetZero Wireless, Inc., provides mobile broadband services and is authorized to provide wireless services in multiple states.

Pursuant to the terms of the proposed transaction, MJVT will become a wholly owned direct subsidiary of BRPI, and YMax, Broadsmart, and MJSMB will become wholly owned, indirect subsidiaries of B. Riley through YMax Corp., MJVT, and BRPI.⁴ Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁵

Domestic Section 214 Application Filed for the Transfer of Control of
YMax Communications Corp. to B. Riley Financial, Inc.,
WC Docket No. 17-356 (filed Dec. 13, 2017).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before January 3, 2018**, and reply comments **on or before January 10, 2018**. Pursuant to section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission's Electronic Comment Filing System (ECFS): <http://apps.fcc.gov/ecfs/>.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;
- 2) Greg Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 3) David Krech, International Bureau, david.krech@fcc.gov;
- 4) Sumita Mukhoty, International Bureau, sumita.mukhoty@fcc.gov, and

⁴ Applicants state that, immediately upon closing, B. Riley may undertake an internal corporate reorganization pursuant to which YMax Corp. would become a wholly owned direct subsidiary of BRPI (instead of remaining a wholly owned direct subsidiary of MJVT). YMax would then continue to be a wholly owned indirect subsidiary of B. Riley and BRPI through YMax Corp. without any intervening ownership by MJVT, and MJVT would continue as a separate wholly owned subsidiary of BRPI. Applicants provided pre- and post-closing charts of the entities involved in the proposed transaction.

⁵ 47 CFR § 63.03(b)(2)(i).

5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), 1-888-835-5322 (tty).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

For further information, please contact Myrva Charles at (202) 418-1506 or Greg Kwan at (202) 418-1191.

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